



Birmingham Parent Carer Forum Financial Policy

Introduction

This financial policy consists of:

- Management of financial records
- Banking arrangements
- Debit cards
- Paypal
- Receipts
- Payments
- Payment documentation
- Expenses
- Remuneration
- Staff
- Other rules

Note: The terms '*Forum*' and '*BPCF*' are used interchangeably in this policy.

Management of financial records

- 1) This Financial Policy is designed to ensure that all funds are used to deliver the aims of BPCF, that expenditure is properly authorised and that this can be evidenced.
- 2) Financial records must be kept so that the forum
 - Has proper financial control of the organisation on behalf of its members.
 - Meets its legal and other statutory obligations (if relevant), such as HMRC and common law.
 - Meets the contractual obligations and requirements of funders.
- 3) The records held must include
 - A petty cash book if cash payments are being made.
 - Records analysing transactions appearing on the bank accounts.
- 4) Accounts must be drawn up at the end of each financial year and presented to the Management Committee.

- 5) Prior to the start of each financial year, the forum will approve a budgeted income and expenditure account for the following year.
- 6) A report comparing actual income and expenditure with the budget should be presented to the Management Committee on a regular basis.

Banking Arrangements

1. The forum will bank with Lloyds Bank on-line and accounts will be held in the name of Birmingham Parent Carer Forum.
2. A bank mandate (the list of people who can sign cheques or authorise on-line transactions on the forum's behalf) will be approved and minuted by the Management Committee, as will any changes to it. There will be three signatories.
3. The forum will require the bank to provide statements every month. These will be reconciled with the records held.
4. The forum will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the management committee.

Debit Cards

At times the Forum may need to purchase goods or arrange for services that cannot be paid for by cheque. In order to access these the forum will hold 2 debit cards. The primary method of payment remains invoicing and this shall generally be used in preference to card purchases where such is offered by the supplier.

- Each card shall be stored in Chairs and Treasurers lockable storage cabinet when not in use.
- The PIN number for each card shall be known only by the cardholder and not disclosed to anyone else or written down.
- In the event of loss of the pin number the bank will be able to provide the cardholders only with the information
- Should the card be lost or stolen the loss shall be reported by the cardholder to the issuing bank, the police, and the forum treasurer immediately.
- Should fraud or misuse be suspected, the bank should be informed immediately so that the appropriate action can be taken.
- The debit card may only be used for purchases up to £400 without prior committee consent.

- The debit card transaction should be entered in the accounts as soon as possible with the debit card authorisation number, to ensure the completeness of the accounting records; ready to be reconciled when the bank statement reaches the forum.
- All transactions shall be supported by original receipts authorised by a designated signatory.
- The cards shall not be used for personal expenditure under any circumstances.
- Any monthly contracts taken out against a debit card will be by prior management committee consent and all original documentation will be held by the Forum.
- Cash withdrawals are not permitted.
- All authorised cardholders shall sign to accept that they have personal responsibility for transactions on “their” card which are not conducted with the approval of the Forum in accordance with this policy.
- Cardholders shall also authorise the Forum to recover the cost of any unauthorised transactions and where reimbursement is not received then the Forum may take steps to recover the costs from the cardholder.
- Cardholders shall be made aware of the action to take in the event of a card being lost, stolen or missing.

PAYPAL

- Paypal as a payment method should only be used as a last resort when no other payment method is available. The primary method of payment remains invoicing.
- Treasurer and Chair have authorisation to access to the BPCF Paypal account.
- BPCF Paypal password should never be shared with anyone under any circumstances, nor written down.
- The BPCF Paypal transaction should be recorded in the accounts spreadsheet as soon as possible and receipts filed accordingly.
- Paypal must not be used for any personal expenditure in any circumstances.
- No monthly subscriptions can be taken out using paypal as a payment method.
- Paypal credit must not be used for any expenditure under any circumstances.

Receipts

All monies received by the forum will be recorded on file and banked without delay.

Payments

1. The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
2. There will be one cheque book, held by the Chair. Three card readers, with the Treasurer responsible for holding one and another held by the Chair and the third held by the third signatory, which should be kept in a secure place.
3. Each cheque will be signed, or online transaction will be authorised by at least two people.
4. A cheque must not be signed, and payment must not be authorised or created by the person to whom it is payable. Similarly, an online payment must not be created or authorised by a payee.
5. Blank cheques will never be signed.
6. The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.
7. No cheques or online payments should be signed without invoice, receipt or other evidence.

Payment Documentation

1. Every payment out of the forum's bank account must be evidenced by an original invoice, receipt or other evidence. That evidence will be retained and filed. The cheque signatory should ensure that it is referenced with:
 - Cheque number/online reference number
 - Date cheque drawn/date online payment made
 - Amount of cheque/amount of online payment
2. The only exceptions to cheques/online payments not being supported by an original invoice are items such as advanced booking fees for a future course or a deposit for a venue. Here a photocopy of the cheque/printout of the online payment will be kept.

Expenses

1. Expenses are out of pocket costs incurred for example: train tickets; car mileage to travel to an event or meeting, car parking, purchase of stationery or biscuits for a meeting, childcare.
2. Claims for expenses can be made by filling in a BPCF Expenses Claim Form and submitting this digitally to treasurer@birminghampcf.org, or by hand to the treasurer.
3. All expense claims must be accompanied by receipts for public transport, refreshments, parking, or the correctly calculated mileage for each journey claimed and be detailed on the BPCF Expenses Claim Form from postcode to postcode.

4. All expenses due to a meeting must be accompanied by a meeting feedback form.
5. The standard mileage rate that can be claimed by members of the Forum when attending meetings is 45p per mile.
6. Childcare costs claimed must be by invoice evidenced with paperwork signed by the person providing the childcare cover which states that they are responsible for their own tax/benefit liability.
7. BPCF Treasurer's expenses claim forms must be filled in and sent to the BPCF Chair for authorisation.
8. Claims cannot be authorised by and payments cannot be made to relatives/partners.
9. All claims must be submitted monthly to the Treasurer.
10. There will be a monthly budget check. If/when BPCF budget becomes low, an expenses cap will be imposed.
11. No cash payments can be made for expenses claimed.
12. All claims for expenses must be made within 90 days of the date being claimed for.

Remuneration

1. Remuneration is an hourly rate paid for attendance at a meeting, event or activity where you are *representing* the Forum and the BPCF Committee has approved your attendance in advance.
2. Remuneration is not payable for time spent at ordinary Committee Group meetings, meetings of officers or sub-groups.
3. All remuneration claims for work carried out on behalf of Birmingham Parent Carer Forum must be agreed by the BPCF Committee in advance of the work being done using the pre authorisation form to be signed by the chair and the treasurer.
4. All remuneration is dependent on the BCPF remaining budget.
5. The hourly remuneration rate for representing BPCF at meetings is £10.00 per hour of meeting time up to a maximum of 10 hours per month.
6. The hourly rate is classed as earnings therefore it is the responsibility of individuals to declare their earnings where appropriate. Anyone making a remuneration claim is responsible for any impact on their own tax, national insurance or benefits.
7. Parent carers unsure if receiving remuneration will impact on their benefits or tax liabilities can phone the Contact Freephone helpline on 0808 808 3555 for personalised advice.
8. All remuneration claims **MUST** be accompanied by a Parent Participation Meeting Feedback Form and/or minutes for each authorised meeting or event which has been attended on behalf of BPCF. Claims will be authorised and paid only if this documentation accompanies the claim.

Staff

- 1) Staff contracted by BPCF will be self-employed and therefore responsible for their own tax and national insurance payments – providing their Self-Employed Tax

Reference number on all invoices for the records. Payments made to self-employed staff will be made in accordance with all of the procedures above.

- 2) All changes in hours and payments will need to be authorised by the Management Committee.
- 3) Staff employed by Birmingham Parent Carer Forum CIC will have a written contract separate to this document.

Other Rules

- 1) The forum does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the forum in excess of £400 must be authorised and minuted by the Management Committee and listed on the treasurer's report.
- 2) In exceptional circumstances, such undertakings can be made with the Chair's approval who will then provide full details to the next meeting of the Management Committee.
- 3) The forum will adhere to good practice in relation to its finances at all times. This will include a fixed asset register stating the date of purchase, cost, serial numbers, normal location of assets and an appropriate record of their use. Any assets should be returned to the forum within 7 days if individual members stand down or discontinue to be members of the Forum.
- 4) Purchases of goods or services will be subject to obtaining at least two quotes, and the subsequent decision based on value for money by the Management Committee.
- 5) Any member of the Management Committee who has a personal interest in, or connection to an organisation, or connection to an individual who is already being paid by the forum (or intends to quote for work being commissioned by the forum) must declare this interest and have it minuted by the Management Committee and not be party to the decision making on accepting that quote for work.
- 6) No payments can be authorised or paid to relatives/partners by relatives/partners.

Date policy will be reviewed: 01/05/2025